# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:4539
ANSWERED ON:12.08.2016
Rural Income
Hooda Shri Deepender Singh

**Will the Minister of FINANCE be pleased to state:**

(a)whether the rural income has contracted considerably leading to decreased rural demand/consumption during the last three years;

(b)if so, the measures the Government has taken to boost rural demand and the results obtained as a result thereof; and

(c)the trend of the annual agricultural income in the last five financial years?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a): The Central Statistics Office (CSO) does not estimate rural income every year. The latest year for which the net value added (NVA) has been estimated separately for the rural and urban areas is 2011-12. The NVA for the rural areas in the year 2011-12 was estimated to be Rs. 34,08,936 crore. The gross value added (GVA) in agriculture and allied sectors, including forestry, fishing and livestock, which accounts for a significant proportion of rural income, increased by Rs. 79646 crore at constant (2011-12) prices from 2012-13 to 2015-16. This, coupled with Government's focus on rural skills, employment and infrastructure, is likely to have helped rural demand and rural consumption.

(b): The Government is implementing several programmes that aim to boost rural income, demand and consumption through: creation of employment opportunities; strengthening of livelihood opportunities; creation of rural infrastructure; provision of other basic amenities; etc. These programmes, inter alia, include: Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) for wage employment, Deen Dayal Antayodaya Yojana for rural livelihoods, Pradhan Mantri Awaas Yojna (Grameen) for rural housing, National Social Assistance Programme for enhancing the incomes of rural poor and Pradhan Mantri Gram Sadak Yojana for rural roads. The Budget 2016-17 prioritised the rural sector with emphasis on rural employment, electrification and connectivity. Apart from the above, the focus of the Government on agricultural sector with programmes for irrigation, insurance, soil health, market, credit and farm infrastructure is likely to have helped rural incomes and demand. Despite the second successive year of unfavourable monsoon, the gross value added in agriculture and allied sectors increased by 4.9 per cent in current prices and 1.2 per cent in constant (2011-12) prices in the year 2015-16.

(c): The Gross Value Added (GVA) at basic prices from agriculture and allied sectors, including forestry, fishing and livestock since 2011-12 is given in the following table:

GVA at basic prices from agriculture and allied sectors
(Rs. in Crore)

| | 2011-12 * | 2012-13* | 2013-14* | 2014-15@ | 2015-16# |
|---|---|---|---|---|---|
| At Constant (2011-12) Prices | 1,501,816 | 1,524,398 | 1,588,237 | 1,584,293 | 1,604,044 |
| At Current Prices | 1,501,816 | 1,680,797 | 1,902,452 | 1,995,251 | 2,093,081 |

Source: Central Statistics Office.
* 2nd Revised estimates. @ 1st Revised estimates. # Provisional estimates.